

FISCAL NOTE

SB 1709 - HB 1623

March 4, 1997

SUMMARY OF BILL: Amends the retirement law relative to peace time military service to allow a member who performed peace time military service from May 7, 1975 through May 7, 1996 to establish retirement credit for such service under the same terms and conditions as under the current peace time military provisions. This bill is optional to local governments.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures -	\$1,225,000 Annual Amortized Cost
Increase Local Govt. Expenditures -	\$600,000/Permissive Annual Amortized Cost

Estimate assumes:

- Approximately 3,400 members could possibly claim 6,900 years of peace time military service of which 1,000 such members would be teachers
- Total lump sum liability of \$12,474,000
- Annual amortized cost assumes a 20-year amortization of the lump sum liability
- Local government expenditures assume all entities will authorize the additional service credit

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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